

## MEETING SUMMARY

### Natural Gas and Surface Owner Rights Public Education Meetings

June 1, 2009

Mountain Empire Community College, Goodloe Center

Big Stone Gap, VA

6:30 p.m.

**Purpose of meeting:** The town hall meeting, which was open to the general public and led by members of the Virginia State Delegation, featured two presentations. The first presentation was by the Virginia Department of Mines, Minerals and Energy (DMME) and the second, by the Virginia Oil and Gas Association (VOGA). Topics in the presentations ranged from the history of state rules and regulations governing natural gas extraction, how wells are located and drilled, protection of correlative rights, to options for participating in a lease agreement, among others. Following the presentations, state and industry representatives conducted a question and answer session. In addition, state and industry representatives were present in an adjacent area to assist citizens who may have had questions about specific wells, leasing issues, Virginia Gas and Oil Board (Board) activities or other related matters.

**Attendance:** Approximately 35 people attended the meeting. Ten signed up to speak and eight actually asked questions or made comments.

**Opening of Meeting:** The Honorable Phillip P. Puckett, Senator for the 38<sup>th</sup> District and The Honorable Clarence E. “Bud” Phillips, Delegate for the 2<sup>nd</sup> District opened the meeting with comments about:

- the purpose of the meeting,
- their requests to the DMME and the Virginia Gas and Oil Board that such a meeting be held,
- legislation introduced to the 2009 session of the General Assembly by each representative [\(1\)](#) [\(2\)](#) concerning post production royalty deductions, and
- pending opinions from the Office of the Attorney General regarding the [authority of the Board to issue compulsory pooling orders permitting the deduction of post-production costs](#); and the [authority of the board to issue compulsory pooling orders pursuant to the Virginia Gas and Oil Act](#).

**Presentations:** DMME Division of Gas and Oil Director David E. Asbury Jr. and VOGA President Jerry Grantham made presentations described above.

**BREAK:** During a 15-minute break, citizens had the opportunity to talk with gas industry representatives from CNX Gas Company, Range Resources, EQT, Appalachian Energy and Chesapeake Energy.

**Question and Answer/Comment Session:** Questions and comments generally centered on issues related but not limited to post production royalty deductions; the rights of surface owners and company access to private property; comments of support for the natural gas industry's contributions to local employment and the economy; communications between companies and lease

holders; requests for increased transparency on leasing process, royalty payments and deductions and escrow process; and various environmental concerns related to access roads, water disposal pits and injection wells.